m/023/011





IRREVOCABLE STANDBY LETTER OF CREDIT NO.

ISSUED IN Salt Lake City, Utah on 16 MAY 1991

APPLICANT:

Thomas J. Peck and Sons, Inc. 76 South 600 East Lehi, Utah 84043

AMOUNT: USD ***15,900.00
FIFTEEN THOUSAND NINE HUNDRED AND
00/100 UNITED STATES DOLLARS

BENEFICIARY:

Utah Divison of Oil, Gas and Mining 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203

DATE AND PLACE OF EXPIRY: 09 MAY 1992 Our Counters



Gentlemen and Ladies:

- 1. First Security Bank of Utah, N.A., Salt Lake City, UtahVISION OF hereby establishes this irrevocable letter of credit (the GAS & MINING "Letter of Credit") in favor of the Utah Division of Oil, Gas and Mining ("Division") for an aggregate amount not to exceed \$15,900.00 (FIFTEEN THOUSAND NINE HUNDRED AND NO/100) in United States dollars ("Face Amount") effective immediately.
- 2. This Letter of Credit will expire upon the earlier of (a) 5:00 p.m. (Salt Lake City time) on May 9, 1992 and (b) the date upon which documents are executed pursuant to which the Division released Thomas J. Peck and Sons ("Operator) from liability for the reclamation of the Nephi Gypsum Quarry, Permit No. M/023/011.
- 3. This Letter of Credit will be automatically extended for successive periods of one year from the current or any future expiration date unless First Security Bank of Utah, N.A. gives notice to the Division at least 90 days prior to the expiration date that we elect not to renew the Letter of Credit.
- 4. Funds drawn under the Letter of Credit are available against the Division's sight draft in the form of Exhibit A, specifying Letter of Credit No. delivered to the counters of the International Department of First Security Bank of Utah, N.A. at 15 East 100 South, Salt Lake City, Utah 84111. At the Division's sole election the Division may present sight drafts for less than the Face Amount so long as the aggregate amount of all sight drafts does not exceed the Face Amount. Each draft must be accompanied by a certificate in the form of Exhibit B, signed by a duly authorized representative of the Division.
- 5. If First Security Bank of Utah, N.A. receives the Division's sight draft(s) and certificate(s) as provided in Paragraph No. 4

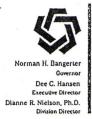


L/C #: _ PAGE 2

above on or before the expiration or termination of this Letter of Credit, we will make such amount as the Division may specify, within the limits of the second sentence of Paragraph No. 4 of this Letter of Credit, available to the Division no later than the close of business, Salt Lake City time, on the second business day following our receipt of the sight draft and certificate and in such a manner as the Division may specify.

- 6. First Security Bank of Utah, N.A. will give prompt notice to the operator and to the Division Director of any notice received or action filed alleging the insolvency or bankruptcy of the bank, or alleging any violations of regulatory requirements which could result in suspension or revocation of the bank's charter or license to do business.
- 7. The Letter of Credit will be governed by the laws of the State of Utah and shall be subject to the Uniform Customs and Practice for Documentary Credit, 1983 revision, International Chamber of Commerce Publication No. 400, as the same may be amended and in effect from time to time ("UCP"). In the event of a conflict between Utah law and the UCP, Utah law shall govern.
- 8. All communications regarding this Letter of Credit will be addressed to the First Security Bank of Utah, N.A., International Department, 15 East 100 South, Salt Lake City, Utah 84111, referencing Letter of Credit No.

Authorized SIGNATURE(S)



Stat of Utah departs... Tof natural resources division of oil, gas and mining

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

EXHIBIT B

	I,					a duly	auth	orized re	epresent	ative of t	he Utah D	ivision
of Oil,	Gas a	and Mining, her	eby cer	rtify that (1)	the dray	ving in t	he ar	nount o	f \$, by
sight	draft	accompanying	this	certificate,	under	Letter	of	Credit	No.		4.4	dated
		is:	sucd by	y yóu is pern	nitted un	der the J	provi	sion of t	he Lette	r of Cred	lit, (2) the	Letter
of Cre	dit ha	s neither expire	d nor	terminated	pursuan	t to its	terms	s, and (3	B) the a	mount o	the sigh	t draft,
togcth	cr with	h any amounts	previou	usly drawn u	nder the	Letter	of C	redit, de	es not	exceed th	e Face A	mount.
Procee	ds of	this drawing wil	l be uti	ilized in full	to pay th	ne expen	iscs r	elating t	o the re	clamatio	n liability	for the
					[mine],			[n	nine per	mit #].		
						The	Utal	n Divisio	n of Oi	l, Gas ar	d Mining	3
						D						
						By:	Autho	rized Si	gnature			7-9
,												
						D-11						
WMN						Date			-			_

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EXHIBIT A

	Date	City, County	Letter of Credit No.
PAY	TO OURSELVES *		DOLLAR
TO:	Utah Division of Oil, Gas and Mining 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203	.	
		The Utah Divi	sion of Oil, Gas and Mining
		Authorized Sig	nature

*By wire transfer in United States dollars to: The Division of Oil, Gas and Mining.